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APPENDIX "B"
to
First Report
Ad Hoc Production Review Subcommittee

PRODUCTION EFFORT OF ORE

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Appendix B: "Preliminary Report: Analysis ORE Production."

1. The following general types of production, covering the period Feb. 1946 to 23 May, 1949, were considered,

(a) Reports and Estimates: (ORE, IM, SR Series, and Special Evaluations).

(b) Periodically recurrent: (ORE Daily and Weekly, CIA Monthly Series, Branch Dailies, Weeklies, Monthlies).

(c) Supporting: (Services of Common Concern, Support for operation of other CIA components and other Agencies).

2. No use has been made of technical distinctions employed within ORE, as "Staff" and "Current Intelligence." Reference is occasionally made to these terms but only in the sense in which they have been defined in NSCID #3.

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I. Reports and EstimatesA. Situation Reports (SR Series)

Developed by combining an external request from CNO (ONI) for a basic handbook on selected countries and a presumed need for basic country studies to fill the gap that would exist until NIS volumes were ready. A total commitment of 47 items was made and is in considerable part fulfilled. Scheduling calls for completion in 1950. The Series is regarded by the Committee as static and has been given no further consideration. The following statistics give the picture:

Published to date	24
Under Agency review	6
In progress or scheduled	<u>17</u>
	47

B. ORE and Intelligence Memoranda (IM) Series (See Appendix C)

1. It was essential to devise descriptive categories for use in classifying items. The following categories were agreed upon after a spot check of the contents of an adequate number of items.

Group A: A Situation Analysis

Essentially an estimating paper, of which the intent is to give an accurate description of a situation and to project future broad developments. Situation can mean, the state of an area (Current Situation [] -- ORE 53) or a political, economic or sociological complex (Consideration regarding the [] -- ORE 39; Significance World Federation of Trade Unions -- ORE 214-8; Political and Economic Situation Selected Areas -- IM-51). The method of such a paper is to correlate intelligence information in order to predict the operation of inter-related factors and trends.

Group B: The Probable Development of a Selected Factor

Essentially an estimating paper, narrower in scope than a Situation Analysis since it selects a single factor or isolates a single trend for analysis. It frequently gives detailed treatment to material that would otherwise be handled as an aspect of a Situation Analysis. The intent of such a paper is to project into the future the operation of the factor or trend selected. (Possible Developments [] ORE 7-48; (Possible Program ... [] IM-24).

Group C: The Consequences of a Selected Course of Action.

A paper that usually proceeds from action decisions or

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accomplished facts to a prediction of the consequences that can be presumed to follow. An important variant of this type is noted: an action decision is assumed to have been made, or an event to have taken place, and the consequences are then predicted as if developing from actual fact. (Consequences of the Withdrawal of US Forces from [redacted] ORE 47-48; Probable Soviet Reaction to US Attempt to Force Berlin Blockade, IM-118).

Group D: Background Material

This type of paper essentially selects factual data in order to provide a correct frame of reference. The method used is historical in that it organizes and interprets established data, and does not undertake predictions. [redacted] ORE 39-48; World Oil Data, IM-126

Group E: Spot Reporting of Intelligence Information

This type of paper essentially reports, on the basis of timeliness, intelligence information of any or all kinds. It may, as part of its intent, include an evaluation of the material reported or an indication of the material's significance. [redacted] to Circumvent Prohibited Purchase of US Machine Tools, IM-65).

Group F: Unclassifiable

This category is used to cover items which, for various reasons, were unclassifiable.

2. Table I Total Production distributed by Groups

<u>Groups</u>	<u>ORE</u>	<u>IM</u>
A. Situation Analyses	28	11
B. Probable Developments	40	42
C. Consequences Analyzed	13	10
D. Background	23	22
E. Spot Reporting	10	80
F. Unclassifiable	1	7
	<u>115</u>	<u>172</u>
Total Production	287	

3. Table II Origin of items distributed by Groups

<u>Self-initiated</u>			<u>External Requests</u>		
<u>ORE</u>	<u>IM</u>	<u>Groups</u>	<u>ORE</u>	<u>IM</u>	
18	4	A Situation Analyses	A	10	7
30	7	B Probable Developments	B	10	35
3	4	C Consequences Analyzed	C	10	6
18	2	D Background	D	5	20
4	26	E Spot Reporting	E	6	54
0	0	F Unclassified	F	1	7
73	43	287	42	129	

4. Table III External Requests detailed

Totals	<u>Groups ABC</u>		<u>Groups DEF</u>	
	<u>ORE</u>	<u>IM</u>	<u>ORE</u>	<u>IM</u>
Executive Office President	3	6	5	8
NSC	18	4	1	0
NSC-4 Committee	1	3	0	0
Sec. Defense	2	7	1	7
	0	18	1	15
IAC	5	3	1	5
NSRB	0	1	0	1
Munitions Board	0	0	0	1
ECA	0	0	1	5
SANACC	1	0	0	1
	0	0	1	3
US congress	0	0	0	6
	30	48	11	81

5. Production for this period is 37 items in the ORE Series. The distribution by Groups is

	<u>Groups ABC</u>	<u>Groups DEF</u>
1946 (2nd half)	2	4
1947 (1st half)	9	3
1947 (3rd quarter)	2	1
1947 (4th quarter)	15	1
	28	9

19 items were self-initiated; 18 requested. Of the requested items, 11 come in the Fourth Quarter of 1947.

6. Production Jan. 1948 to 23 May 1949 analyzed.

(a) Chart I: Distribution of Groups ABC and DEF on a units per month basis.

See insert following

(b) Chart II: External requests distributed by Groups ABC and DEF on a units per month basis.

See insert following

(c) Chart III: Distribution of Self-initiated and Externally requested items, all Groups and all Series.

See insert following

(d) Chart IV: Distribution by ORE and IM Series.

See insert following

7. Special Evaluations

Treated separately because they have not developed into a fixed pattern of production. No Special Evaluations have been issued since Dec., 1948. It is possible that the purpose they were intended to serve has been absorbed by the growth of the IM Series, by the increased volume of periodic production, and by the external distribution of Branch Working Papers. The following breakdown is given for comparison.

A. Situation Analyses	1
B. Probable Developments	16
C. Consequences Analyzed	7
D. Background Material	2
E. Spot Reporting	12
F. Unclassifiable	0
Total	38

8. Comments on production of Reports and Estimates.

(a) Production during the period July 1946 - Dec. 1947 suggests an effort to establish a pattern for the production of ORE-IM Series. The character of this pattern is indicated by the preponderance of Group ABC items (75% approx) in which a broad

CHART 1 - DISTRIBUTION OF GROUPS ABC AND DEF ON A MONTH BASIS
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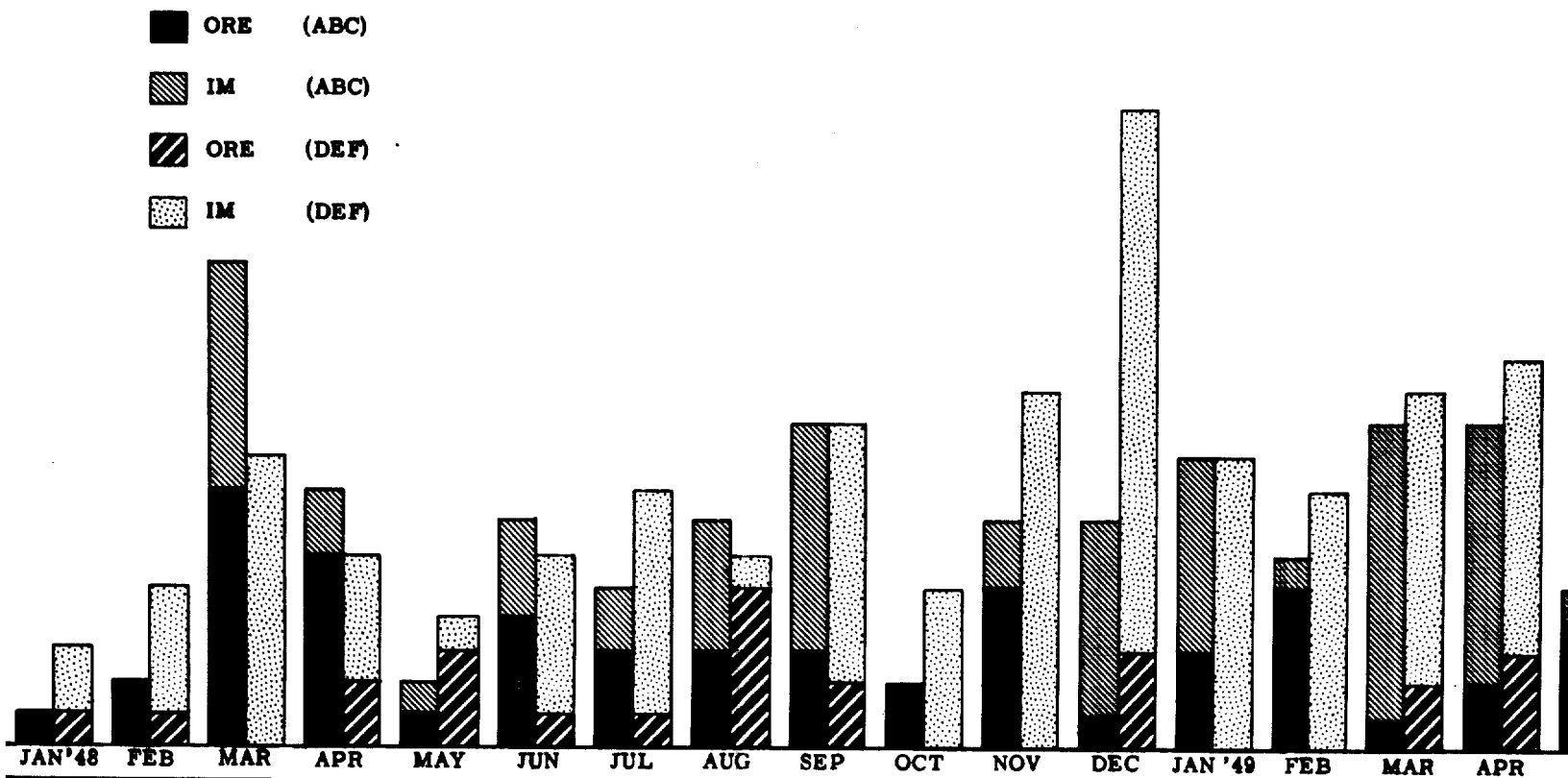
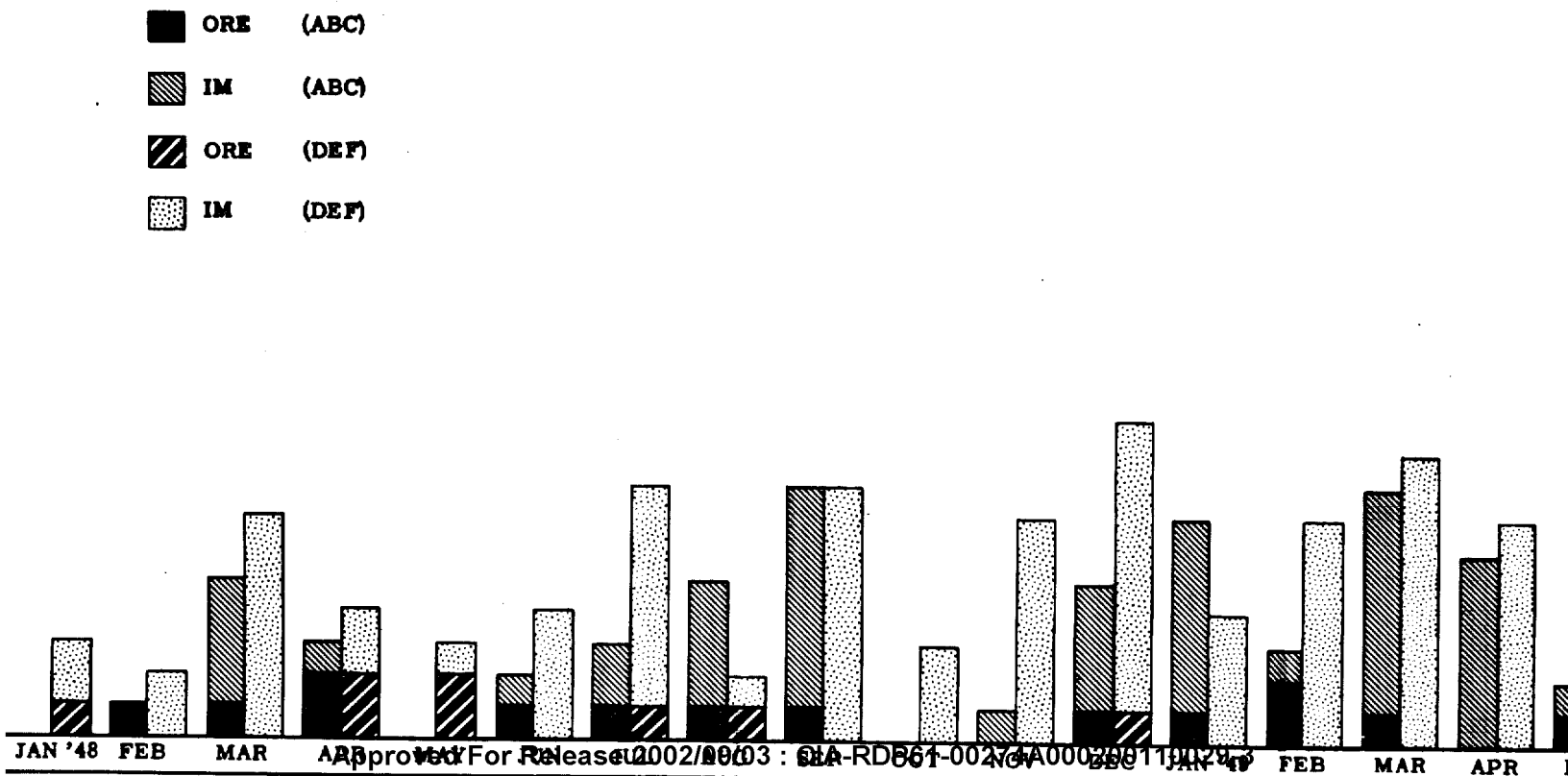


CHART 2 - EXTERNAL REQUESTS DISTRIBUTED BY GROUPS ABC AND DEF ON A MONTH BASIS



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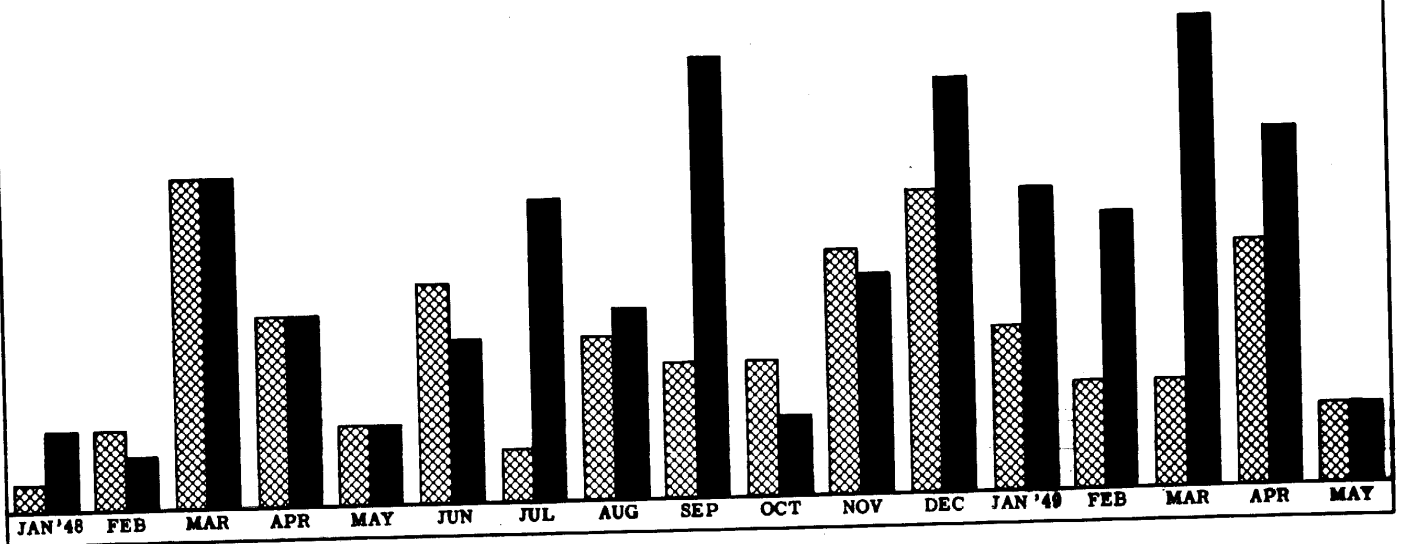
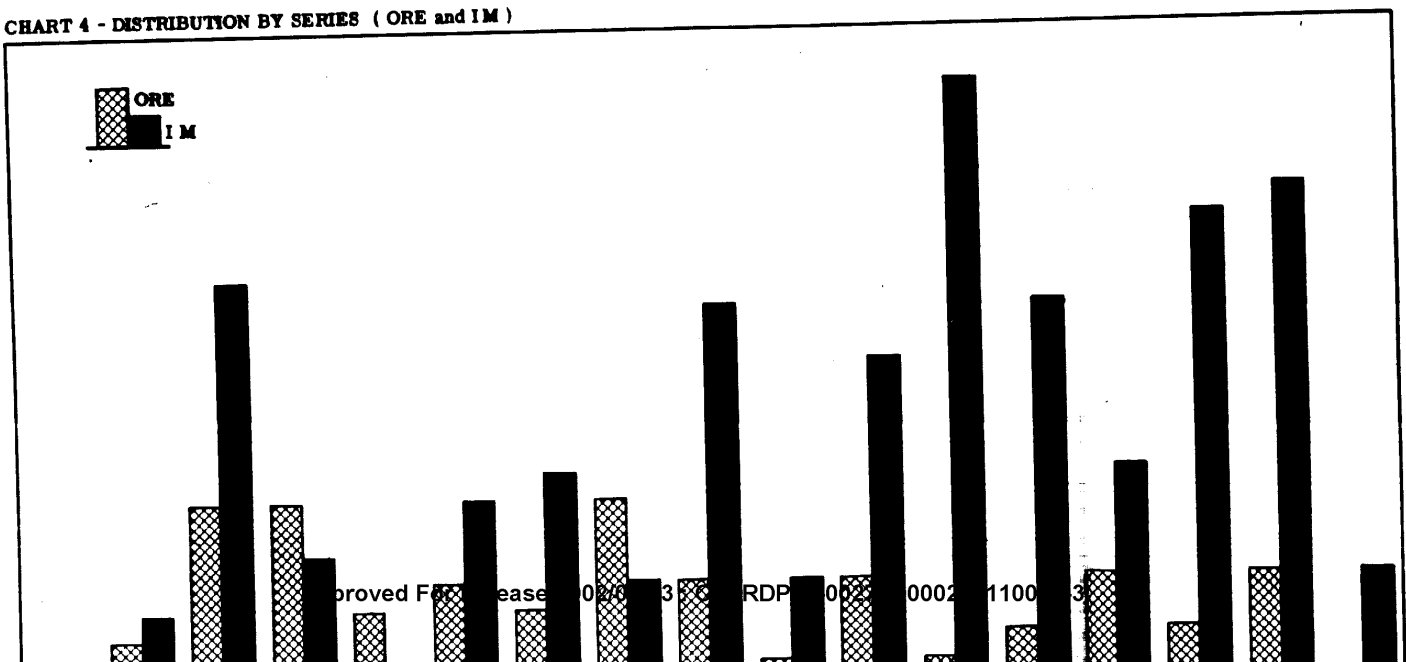


CHART 4 - DISTRIBUTION BY SERIES (ORE and IM)



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politico-economic-strategic line of approach is taken and where an attempt is made to project trends and predict future developments rather than to report and evaluate current events. This pattern appeared to be given approval during the last three months of the period by requests from the NSC, made in conjunction with items on its staff agenda, for the production of eleven items in Group A (66% approx. of total production for the period).

(b) Production during the period Jan. 1948 - May 1949 shows well-defined trends away from this pattern.

(1) A shift from the broad, long-term type of problem to the narrowly-defined, short-term type of problem. (There is a quantitative shift from Group A and Group D items to Group B and Group E items.)

(2) A shift from the predictive type of item (Group ABC) to the non-predictive type (Group D E).

(3) A shift from full and formally coordinated production (ORE Series) to informally and even uncoordinated production (IM Series).

(4) The above trends correlate with an increase in external demands and are considered to be a reflection of the character of these external demands.

II. Periodically recurrent production.

A. This production consists of

1. Current Intelligence as defined in NSCID #3, in the form of CIA Daily Summary (Top Secret) and CIA Weekly Summary (Secret). Both are issued officially after coordination within CIA/ORE.

2. CIA Series, "Review of World Situation as it affects the security of the US."

3. Periodic publications by Branches and Groups. These are officially described as "Working Papers." They are given less complete coordination within CIA/ORE, but are regularly though informally disseminated outside CIA/ORE and even outside CIA.

B. The total of Periodic production, expressed in numbers of issues, is as follows:

ORE Daily (since 14 Feb. 1946)	1000
B/WE Daily (since 16 Jan. 1948)	312

Total of daily issues	1312
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ORE Weekly (since 7 June 1946)	156	
Branch Weeklies	724	
B/WB "Weekly Estimate"	31	
Total of Weekly issues		911
Branch Monthlies	18	
CIA Monthly Series	21	
Total Monthly Issues		<u>39</u>
Grand total of Periodical Publications		2262

3. CIA Daily Summary (Top Secret)

1. Origin: an original and specific commitment, dating from Feb., 1946. It arose from a direct presidential request for a summary to replace the three or four dailies and a mass of cables which awaited him each morning.

2. Changes and trends: two such are noted, (a) it has become shorter, (b) a policy has developed of occasionally including an evaluation or comment when possible.

3. Present purpose: to select and brief each day cables of greatest significance to the security of the US in order to bring them to the attention of the highest officials. Degree of significance depends entirely on what happens to have been carried by the incoming and occasionally the outgoing traffic of the day.

D. CIA Weekly Summary (Secret)

1. Origin: self-initiated in June 1946. Conceived as a vehicle in which emerging trends were interpreted for high level use; and hence supplementary to CIA Daily Summary, in which comment was expressly forbidden by NIA action.

2. Changes and Trends: originally "Top Secret" and designed for the same distribution list as the CIA Daily. On 2 May 1948, it was downgraded to "Secret" and given a wider distribution, which now included the working levels of departments and agencies as well as policy-making levels.

3. Present purpose: to evaluate and project such events of a week as are of most importance to US security. The evaluating and projecting function has been emphasized as against reporting of briefing.

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E. CIA Series

A monthly publication timed to meet the second regular meeting of the NSC. Originated in a suggestion of NSC Secretary and Secretariat. Coordinated within ORE.

F. Branch Weeklies

1. Origin: with one exception, self-initiated. (See para. H. 4 below.)

2. Changes and Trends: soon after their inception they became the source of raw material for the CIA Weekly Summary. This relationship was made official and was regularized by RE Operating Procedure #9 of 14 May 1948. While no fundamental change in character was made, it is noted that the number of longer analytical articles has increased. A significant change in the use made of this production came with their informal distribution outside ORE and CIA. This development appears to have come about as working-level personnel in other offices and agencies became aware of the existence of the type of production and asked to be put on the distribution list.

3. Present purpose: to provide material for the CIA Weekly Summary, to provide a media for extensive Branch comment, to broaden the working level exchange of information and evaluation. They are produced on much the same principle that controls the CIA Weekly Summary, i.e., selection of significant events and evaluation and projection from them.

G. Branch Monthlies

1. Origin: self-initiated; one in Sept. 1948, two in Jan. 1949. Only two now produced, one having been discontinued after 1 May 1949. One Branch, which does not produce a Monthly, regularly adds a "Situation Memorandum" to its Weekly and this serves the intent of a Monthly. All Monthlies are disseminated outside ORE, and for the most part outside CIA.

2. Purpose: to provide a periodic review of the situation in the area of the Branch's concern. They are distinguished from the Branch Weekly by an intent to review a month's trends area by area and aside from the occurrence of significant events as reported on a weekly basis. In two instances, this intent is accompanied by an effort systematically to predict developments in the ensuing 30 days.

H. Daily and Weekly Estimates (produced by one Branch only).

1. Origin: self-initiated as a method of analytical exercise.

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Distributed outside ORE.

2. Purpose: to provide forecasts for the countries concerned. Systematic prediction is emphasized.

I. Comments on Periodically recurring Production.

1. Production has steadily increased: the volume of production in this category has steadily expanded, and the number of different types of publications has increased. The increase has been most marked in 1948-49.

Chart V: Growth of Periodical Production.

See insert following

2. The Concept of "Current Intelligence" has broadened beyond the definition of NSCID #3. At the start, it consisted only of the CIA Daily and Weekly Summaries, which reported events and developments considered significant. These have continued, but to them has been added area reviews. In addition, a trend toward comment, evaluation, estimating, and predicting is noticeable. None of the publications in this category avowedly goes in for "spot" reporting; most specifically emphasize the estimating process.

3. Production in this category is divided into:

(a) Publications whose subject-matter is determined by important events taking place, or important cables arriving. (CIA Daily & Weekly Summaries, Branch Weeklies.)

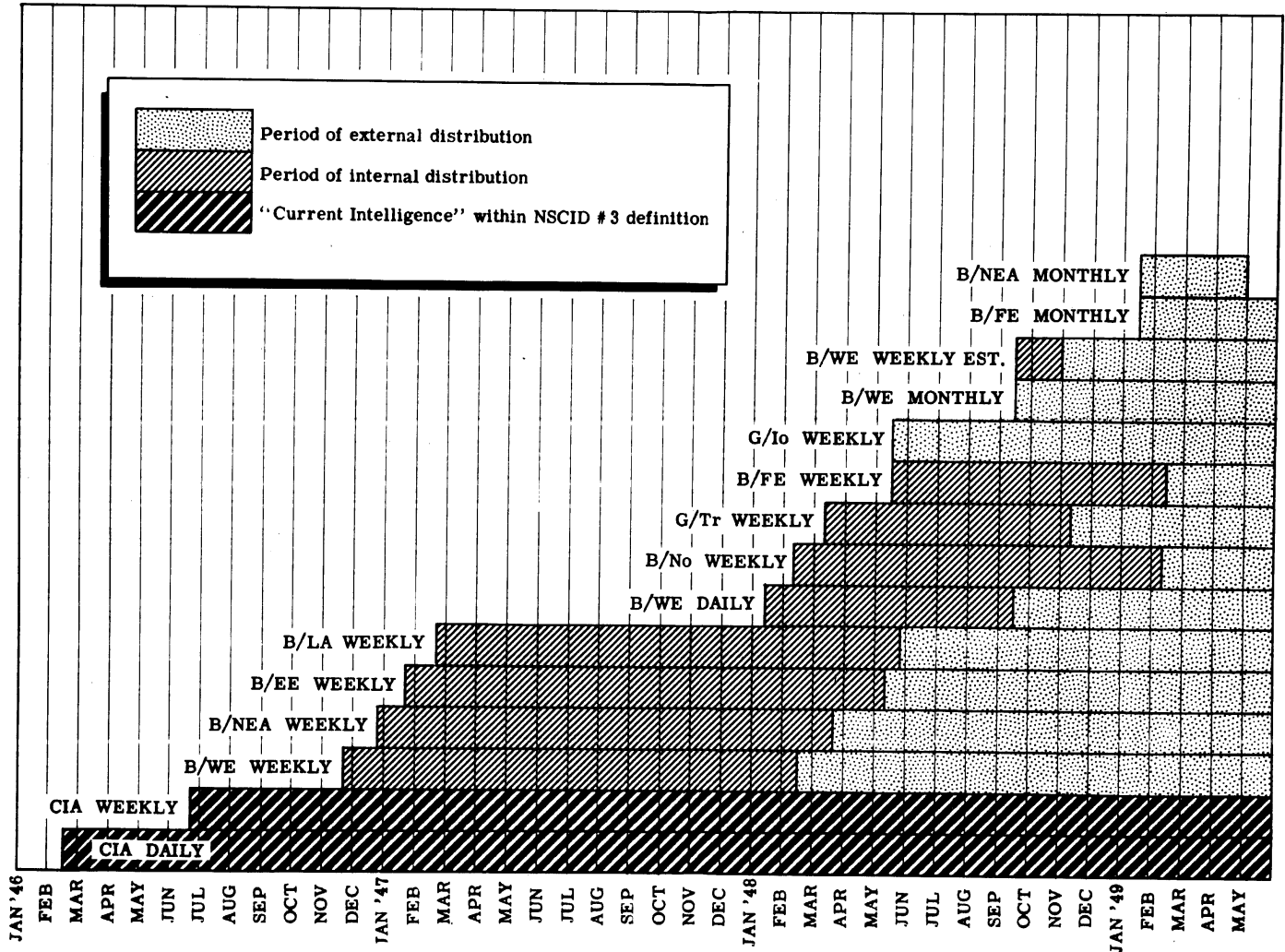
(b) Publications which seek to provide a periodic stock-taking. (CIA Series, Branch Monthlies, Branch Daily and Weekly Estimates, and "Situation Memoranda" referred to above.)

On the basis of volume of production, (a) above is of more weight and official importance than (b) above.

4. Production developed from other considerations than a concept of "mission".

(a) Except for CIA Daily Summary, which originated on external demand and which generally conforms to the NSCID #3 definition of "Current Intelligence," production has been self-initiated by components of ORE in response to a variety of considerations, of which the more obvious are noted.

CHART 5 - GROWTH OF PERIODICAL PRODUCTION



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(1) The need to maintain a running record, in which evaluation and estimate forms an essential supplement to files of raw material.

(2) The need to train analysts in making estimates and projecting situations by obliging them periodically to gather scattered facts and evidences and to formulate conclusions respecting them.

(3) For reasons of morale, a training procedure became an organized publication and provided a vehicle of expression.

(4) The need to exchange information and conclusions at a working-level, both within a Branch (as in B/IA, where a large number of small countries are covered), between Branches and Groups (as when a Regional Branch and a Functional Group must correlate), and finally outside ORE (as with the working levels of IAC Agencies).

(5) The responsibility of supporting the CIA Weekly Summary.

(b) The development of this type of production is considered to have proceeded more from the internal necessities and from custom and tradition of an intelligence organization than from defined responsibilities and official commitments.

5. The audience has greatly expanded and consequently become a less precise target.

ORE "Current Intelligence" was originally produced for a small select audience at the highest policy levels. While this has continued, the growth of periodic production, both by the nature of its content and the range of its distribution, has resulted in a broader and more systematic analysis of current developments for the use of a wide audience at the working level.

III. Supporting Production

ORE production in performance of services of common concern, in support of the operation of other Offices of CIA and of other Agencies, and in support of its own internal requirements has no analyzable pattern. It is, accordingly, merely reported with comments.

A. Services of Common Concern

CIA/ORE is officially committed to the maintenance of two

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continuing services of common concern:

(1) The coordinating, editing, and production of the National Intelligence Surveys (NIS). The Basic Intelligence Group/ORE is solely charged with responsibility for this commitment. It is estimated that the following components of ORE (B/EE, B/VE, B/NE, B/NO, and G/Tr) are at present expending between 5 - 10% of their available man-hours in reviewing material for NIS on behalf of the Basic Intelligence Group.

(2) ORE/Map Branch is committed to services of common concern, in the course of which it also fills the requirements of CIA/ORE.

B. Operations of Other Offices of CIA.

(1) ORE regularly evaluates OO and OSO field reports. Between March 1948 and May 1949, ORE evaluated 9293 OO reports, the lowest number in any one month being 504 and the highest 807.

(2) ORE/B/EE has recently undertaken a limited research project in support of CIA/OSO. This project is the preparation of encyclopedic information. It was not considered within the present terms of reference of the Basic Intelligence Group.

(3) CIA/OPC has requested support from CIA/ORE for its operational responsibilities, and commitments have been accepted.

C. Operations of other Departments and Agencies

(1) CIA/ORE is formally directed to support the Information Planning responsibility of the NSC-4 Committee, and in addition informally supports the operational desks of the State Department Information Program.

(2) CIA/ORE jointly participates with the State Department in the development of an External Research Program designed to correlate the work of scholars and the needs of government intelligence.

(3) CIA/ORE has accepted a commitment to evaluate FS Reports for the State Department and AA Reports for the Air Force.

D. Miscellaneous

It is noted that the key personnel of ORE/Group Economics (G/EO) serve as members of inter-departmental or agency committees or are in regular consultation with other departments or agencies. It is estimated that as much as 20% of the time of this key personnel is thus employed.

E. Comments on Supporting Activities

1. It is noted that the professional man-power employed in this type of activity is developing into a significant drain on the ORE production effort (16.00% of total man-hours, of which 2.50% is applicable to Services of Common Concern).

2. It is noted that a high proportion of the working time (20.00%) of Group/Economics is dispersed in external consultations and committees, of which only a small part is directly related to the production effort of ORE. It is possible that this may be the result of the present disorganized state of economic intelligence generally.

3. It is noted that commitments to engage in supporting activities have steadily increased through 1948-49 and that the expansion has taken place on an ad hoc basis and not in accordance with any observable principle.

IV. Distribution of professional work-hours

The information that follows is based upon data provided by ORE components. This data has been weighted to take into account the varying size of Branches and Groups. The percentages given are to be taken as approximate only. The Committee considers, however, that they do not significantly distort the over-all picture.

A. General Research and Administration 46.00%

This includes processing raw intelligence material, research activities, organized discussions, and administration.

B. Reports and Estimates Production 23.00%

- | | |
|---------------|-------|
| 1. ORE and IM | 16.00 |
| 2. SR Series | 7.00 |

This includes the productive process and coordination with IAC Agencies.

C. Periodically recurring Production 15.00%

This includes only the productive process from selection of material through final editorial work.

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D. Supporting Production

16.00%

This includes the performance of Services
of Common Concern and Supporting Services. (1)

-
- (1) The percentage is high because of the great proportion of
time spent in supporting services by B/EE (22.00%), G/Ec
(24.50%).
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APPENDIX "C"
to
First Report
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DOCUMENTATION
ORE and IM Reports, June 1946 - May 1949

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Group A: Situation Analysis

Essentially an estimating paper, of which the intent is to give an accurate description of a situation and project future broad developments. Situation can mean the state of an area or a political, economic, or sociological complex. The method of such a paper is to correlate intelligence information in order to predict the operation of inter-related factors and trends.

<u>Number</u>	<u>Title</u>	<u>Origin</u>
		B/EE
		B/NE
		G/SI
		B/NE
		G/SI
		B/FE
		NSC
		NSC
		NSC
		NSC
		NSC
		NSC
		NSC
		NSC

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Group B: Probable Development of a Selected Factor

Essentially an estimating paper, narrower in scope than a Situation Analysis since it selects a single factor or isolates a single trend for analysis. It frequently gives detailed treatment to material that would otherwise be handled as an aspect of a Situation Analysis. The intent of such a paper is to project into the future the operation of the factor or trend selected.

<u>Number</u>	<u>Title</u>	<u>Origin</u>
		WH
		WH
		G/SI
		B/LA
		G/Tr
		B/NE
		B/FE
		B/WE
		P/NE
		B/LA
		B/LA
		B/FE
		B/FE
		G/Tr

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Group C: Consequences of a Selected Course of Action.

A paper that usually proceeds from action decisions or accomplished facts to a prediction of the consequences that can be presumed to follow. A common variant of this type is noted: the action decision is assumed to have been made, or an event to have taken place, and the consequences are then predicted as if developing from an actual event.

<u>Number</u>	<u>Title</u>	<u>Origin</u>
25X1		SANACC
		IAC
		NSC
		NSC
		NSC
		B/WE
		NSC
		IAC
		B/WE
		G/GS
		NSC

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Group D: Background Material

This type of paper essentially selects factual data in order to provide a correct frame of reference. The method used is historical, in that it organizes and interprets established data and does not undertake prediction.

This type of paper essentially reports on the basis of timeliness intelligence information of any or all kinds. It may, as part of its intent, include an evaluation of the material reported, or an indication of the material's significance.

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Group E: Spot Reporting of Intelligence Information

This type of paper essentially reports on the basis of timeliness intelligence information of any or all kinds. It may, as part of its intent, include an evaluation of the material reported, or an indication of the material's significance.

NumberTitleOrigin

JCS

WH.

WH.

WH.

SecDef

I,WE

G/Lr

ECA

G/SI

B/LA

DCI

DCI

DCI

DCI

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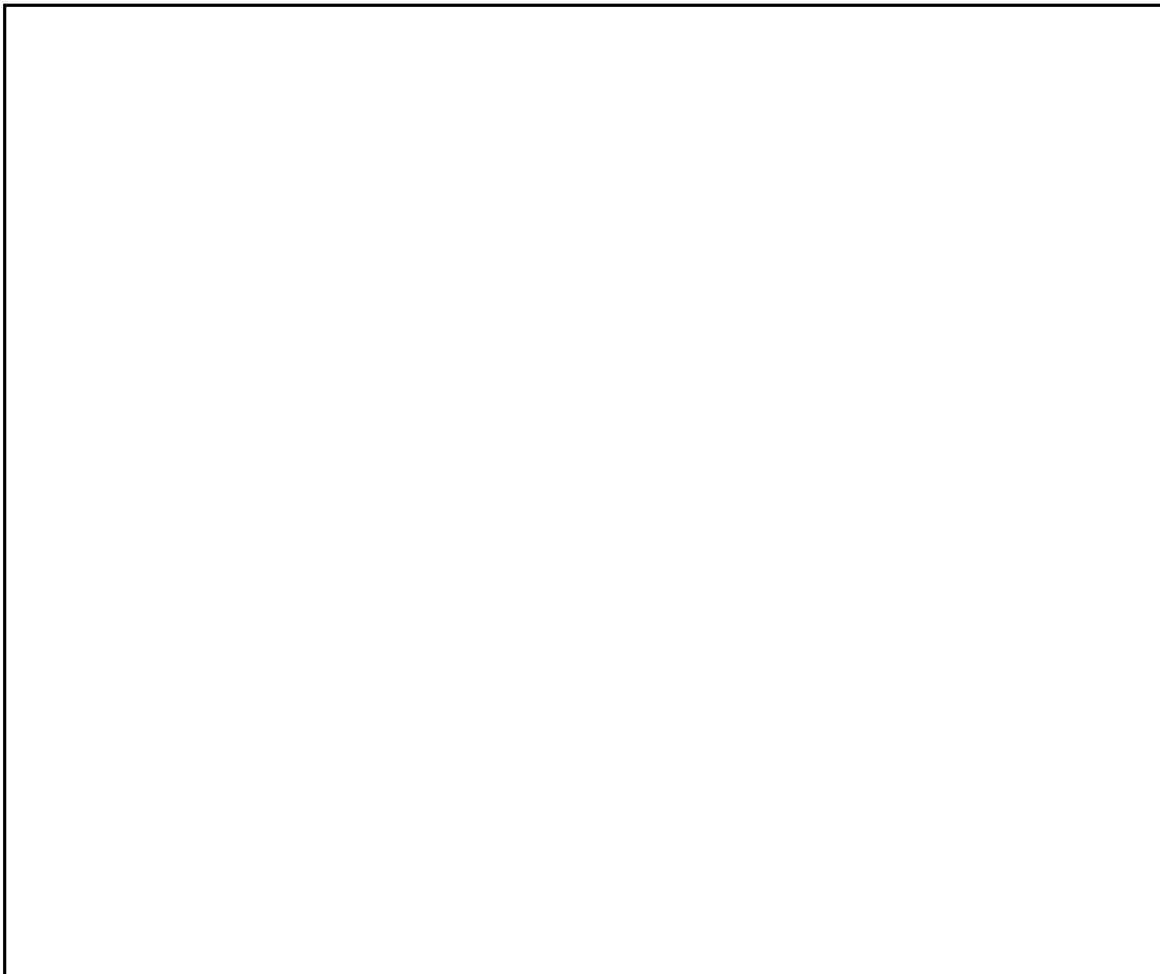
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Group F: Miscellaneous

This category is used to cover items which, for various reasons, were unclassifiable.



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